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1987/07/31



United States Department of State

Washington, D.C. 20520

July 31, 1987

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PHETTC - Gen'l R

UNCLASSIFIED
MEMORANDUM

TO: EB/ITC - Mr. Zacharia
FROM: EB/ITC - WAWorkman
SUBJECT: China-related Provisions in the Trade Bills

As requested, the following provisions in HR 3 and S. 1420 either would affect exports of controlled commodities to China or somehow reference China.

HR 3

S. 1420

SECTION 332 (a) "MULTIPLE LICENSES"

--AUTHORIZES USE OF DISTRIBUTION
LICENSE FOR EXPORTS TO PRC

SECTION 332(d) "EXPORTS TO NON-
CONTROLLED COUNTRIES"

- DECONTROLS PRC NOTE LEVEL
TECHNOLOGY TO FREE WORLD COUNTRIES
EXCEPT FOR: 1.) PUBLISHED
BAD END USERS; & 2.) COUNTRIES
IDENTIFIED BY DOC AS POSING A
A SIGNIFICANT DIVERSION RISK
- DOC MAY REQUIRE NOTIFICATION OF
ANY OF THESE GOODS BY ANYONE TO
DOC
- GOES INTO EFFECT 6 MONTHS AFTER
PASSAGE OF THE BILL

SECTION 1001 "DISTRIBUTION
LICENSE

--SAME AS HR 3 (ALSO IN ADMIN.
BILL)

SECTION 1004 "EXPORTS TO COCOM

--DECONTROLS PRC NOTE LEVEL
TECHNOLOGY AS OF MAY 5, 1987
TO COCOM & 5(K) COUNTRIES
--ALLOWS A NOTIFICATION TO DOC
REQUIREMENT

--REQUIRES AN ANNUAL REVIEW OF
ADJUSTMENT OF PRC NOTE AND
G-COM TECHNOLOGY LEVELS

--ALLOWS DOC TO REQUIRE A LI
ENSE FOR CERTAIN END USERS

--ALLOWS DOC TO REQUIRE A LI
ENSE TO COUNTRIES NOT COMPAT
ING WITH COCOM RULES

DEPARTMENT OF STATE

IS/FPC/CDR

Date: 6/26/92

(X) RELEASE () DECLASSIFY
() EXCISE () DECLASSIFY
() DENY IN PART
() DELETE Non-Responsive Info
FOIA Exemptions
PA Exemptions

MR Cases Only:
EO Citations

TS authority to:
() CLASSIFY as () S or () C OADR
() DOWNGRADE TS to () S or () C OADR

90D 340
6032

HR 3

S.1420

NO PROVISION	SECTION 1010 "SUNSET PROVISION" --PRC NOTE LEVEL TECHNOLOGY NOT REVIEWED EVERY 2 YEARS AUTOMATICALLY DECONTROLLED IF WITHIN 90 DAYS AFTER AN ALLEGATION BY EXPORTER, DOC DOES NOT PUBLISH A REVIEW
SECTION 332(h) "TRADE SHOWS" --ALLOWS ALL LEVELS OF GOODS AND TECHNOLOGY TO BE DEMONSTRATED IN THE PRC, EVEN THAT WHICH WOULD BE DENIED A LICENSE FOR EXPORT TO THE PRC	SECTION 1011 "TRADE SHOWS" --SAME AS HR 3
SECTION 332 (1) "NEGOTIATING OBJECTIVES" --EXPAND THE NUMBER OF CHINA NOTES	SECTION 1015 "NEGOTIATING OBJECTIVES" --NO PROVISION (NOT IN ADMIN. BILL EITHER)

Copies of the actual language in each bill are attached.

Attachments:

As stated